

Ex-CIA head says scandal will not harm agency

By Scott Winokur
SAN FRANCISCO EXAMINER STAFF

B-7

Despite a few CIA "fingerprints" showing up on the "wrong side of the bed" in the Iran-contra affair, the agency and its late director, William Casey, will emerge with their reputations intact, former Director of Central Intelligence William Colby predicted Monday.

Essentially, Director Casey kept the CIA out, he said, with approval from the president. However, the former CIA chief who served President Reagan to the end of the century English king, Henry II, whose expressed desire to be rid of the archbishop, Thomas a Becket, the archbishop of Canterbury, led to the pope's murder.

In this situation, Bill Casey was welcomed by the president's enthusiasm for getting the hostages out and for helping the contra. Colby said.

Speaking to the World Affairs Council of San Francisco on Monday, Colby called L.A. Col Oliver North, former National Security Adviser John Poindexter and others involved in the affair "enthusiastic amateurs."

He said the operation they conducted required professionals in order to succeed.

However, he noted that the initiative would not have gone forward if career CIA officers, familiar with congressional guidelines for covert activity laid down in the 70s, had been involved.

The plan was designed to obtain the release of U.S. hostages in the Middle East by providing so-called Iranian moderates with anti-aircraft missiles. Colby said it would have been impossible to win legislative backing for such an effort.

"If you're going to run operations, they have to be secret, well thought out, and under authority. And if they don't stand up under independent review, you shouldn't have them."

He sharply condemned the policy of lying to Congress that was adopted by the principals in the affair, North most notably.

Asked if he agreed with many who describe North as an American hero, Colby said, "I don't think he was a hero in the way he handled the Congress."

Referring to Poindexter, who intentionally withheld politically explosive information from the president, Colby said, "When I was running CIA, I told subordinates, 'I don't mind a pleasant surprise, but I don't want any unpleasant ones.'"

He described as "unconscionable" Poindexter's alleged failure to inform the president that profits from the sales of arms to Iran were being diverted to the contra.

The omission was "a failure to perceive the political dynamite" in the situation, Colby said.

Colby also defended actions that he had taken as CIA chief and responded to criticism of the agency's record in recent intelligence matters.

He said that cutting back severe-

ly on the CIA's counterintelligence activity in the early 70s was appropriate in view of that activity's purportedly negative impact on positive intelligence-gathering.

Colby denied that the CIA had erred in two recent espionage matters, the cases of Edward Lee Howard and Ronald Pelton.

Howard, a former CIA officer with apparent behavioral problems, is believed to have compromised certain U.S. intelligence operations in Moscow. He fled to the Soviet Union in 1965.

Colby said that the agency had done its best to help Howard earlier in his career, and attempted to downplay the defection, noting that it was the first by a CIA employee in 30 years.

Pelton, a former National Security Agency employee, met twice with Soviet spy handlers in the Soviet ambassador's residence in Vienna.

Colby said the CIA operatives in Austria had "more to do than keep the residence under surveillance all day long." Others, however, have said that the agency's failure to spot Pelton was inexcusable. Vienna is a known hotbed of Eastern bloc intelligence activity.

Colby praised U.S. policy in El Salvador, noting that death-squad activity in that country had decreased and the communist insurgency had had diminished success in recent years.

But he also condemned the U.S. record in Nicaragua, saying that the Reagan administration, by vigorously supporting the contra, is putting the "paramilitary cart before the political horse" there.

"Just sending people in to mine a

harbor or blow up a bridge — I've done that and it didn't make much of a difference," Colby said.

All things considered, Colby said, "Our country is in good shape" with respect to its intelligence-gathering capability. "In the important things that we need to know, we're doing very well," he asserted.

A career intelligence officer and a lawyer, Colby, now 67, was named director of central intelligence by President Richard Nixon in 1974, succeeding James Schlesinger.

Before his appointment, he headed the CIA's Directorate of Operations, the agency division responsible for covert actions and the clandestine collection of information.

President Gerald Ford replaced Colby in 1976 by then-U.S. representative to China George Bush, the current vice president.

STATINTL

STATINTL

Approved For Release 2004/11/29 : CIA-RDP91-00901R000500050004-7

STATINTL

STATINTL